(i) A buffer stock of 50 lakh tonnes has been created involving a subsidy amount of about Rs.945 crore for a period of one year. Banks would also provide additional credit of about Rs. 1050 crore to the sugar mills.

(ii) Export assistance to defray expenditure on internal transport, marketing and handling charges and ocean freight assistance for sugar factories subject to actuals for export by road/rail to neighbouring countries have been announced for a period of one year with effect from 19th April, 2007.

(iii) Ban on export of sugar was removed in January, 2007 and requirement of obtaining an export release order for export of sugar except for exports to European Union countries and United States of America has been dispensed with from 31.07.2007 for the current and next sugar season.

The buffer subsidy amount and the additional credit are to be exclusively used for liquidation of cane price arrears of sugarcane farmers. Further, Realizations through exports are also expected to enable the mills to clear the cane arrears.

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Farmers' Indebtedness

1984. SHRI MAHENDRA MOHAN: Will the Minister of AGRICULTURE be pleased to state:

(a) whether indebtedness of farmers is increasing day by day and in some States it has reached up to 60 per cent;

(b) if so, what are the figures of farmers' indebtedness, State-wise;

(c) whether Government would provide package to indebted farmers throughout the country particularly to the farmers of Uttar Pradesh who are waiting for their dues to be cleared by the sugar factories; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) and (b) Yes, Sir. The details are given in Statement *(See* below).

(c) There is no scheme under consideration of Government of India to provide package to individual farmers whose dues are yet to be cleared by sugar factories.

(d) To look into the problems of agricultural indebtedness in totality and suggest measures for providing relief to farmers across the country, Government of India constituted an Expert Group under the Chairmanship of Prof. R. Radhakrishna, Director, Indira Gandhi Institute of Development Research (IGIDR). The Expert Group has submitted its report and Government is processing its recommendations.

Statement

State-wise details of framer's indebtedness

State	Percentage of farmer households indebted
Andhra Pradesh	82.0
Arunachal Pradesh	5.9
Assam	18.1
Bihar	33.0
Chhattisgarh	40.2
Gujarat	51.9
Haryana	**53.1**
Himachal Pradesh	33.4
Jammu and Kashmir	31.8
Jharkhand	20.9
Karnataka	61.6
Kerala	64.4
Madhya Pradesh	50.8
Maharashtra	54.8
Manipur	24.8
Meghalaya	4.1
Mizoram	. 23.6
Nagaland	36.5
Orissa	47.8
Punjab	65.4
Rajasthan	52.4
Sikkim	38.8
Tamil Nadu	74.5
Tripura	49.2
Uttar Pradesh	40.3
Uttaranchal	7.2
West Bengal	50.1
Group of UTs	50.8
ALL INDIA :	48.6

Source: National Sample Survey Organization Report No. 498 on Indebtedness of Farmer Households**.**